

Appropriation Request 2022-2023



Pennsylvania
Historical & Museum
Commission

Presented to the House and Senate Appropriations Committees

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EXECUTIVE DIRECTOR'S STATEMENT

EXECUTIVE DIRECTOR'S STATEMENT

Agency Mission Statement: *The mission of the [Historical and Museum Commission](#) is to discover, protect and share Pennsylvania's past, inspiring others to value and use our history in meaningful ways.*

The legal responsibilities of PHMC as defined in the History Code, the Administrative Code and the Constitution of Pennsylvania include:

- The conservation of Pennsylvania's historical and natural heritage.
- The preservation of public records, historic documents, and objects of historic interest.
- The identification, restoration, and preservation of architecturally and historically significant sites and structures.
- The publication and reproduction of materials of historical or archaeological interest including anthropology, art, cartography, folklore, and other cultural elements of Pennsylvania's heritage.

Programs and Goals:

- **State Historic Preservation:** *To manage and safeguard Pennsylvania's historic resources through a comprehensive history and museum program focused on preservation, study and interpretation of all areas of Pennsylvania history, providing exhibits and programs to share this history with learners of all ages.*

- **Museum Assistance:** *To assure preservation and accessibility of Pennsylvania's rich heritage through representative artifacts and specimens of history, art and science for all citizens through the support of museums and historical sites within the commonwealth.*

Organizational Structure: PHMC oversees the [State Historic Preservation Office](#), the [State Museum](#), the [State Archives](#), and the [Bureau of Historic Sites and Museums](#). PHMC is governed by a commission consisting of nine residents of the commonwealth appointed by the governor and confirmed by the Senate; four members of the General Assembly, two from the Senate, one appointed by the president pro tempore and one by the minority leader, and two from the House of Representatives, one appointed by the speaker and one by the minority leader; and the secretary of education or his designee. PHMC is led by the executive director who is responsible for the overall operations of the agency with the assistance of the Bureau of Management Services

BUDGET PRIORITIES:

General Government Operations (GGO): The GGO appropriation for SFY 22-23, as outlined in the Governor's Executive Budget, is \$22.9 million cost-to-carry budget only. This represents an 8.6% increase over last year's budget. This increase is attributed to the commonwealth's new State Archives facility with construction expected to be completed in the summer of 2022. Costs associated with the building are expected to increase as the facility opens, but level off in SFY 23-24. PHMC will try to defer costs to other funding sources where permitted; however, the increase in associated costs will be new and recurring expenses for this 145,000 square foot, state-of-the-art facility where invaluable commonwealth records will be preserved and made accessible to the public. Except for the costs associated with the new archives, this budget does not request any additional funding, beyond current levels, to maintain, manage, and preserve 25 historic sites and museums located across the commonwealth comprising 351 buildings and 1,986 acres of land.

State Record Center: GGO subfund, is requesting \$823,000 in total, which is the same as last year's budget. PHMC charges back each state agency based on the number of boxes in storage. As the business of records management transforms from preserving physical copies to digital files, we have begun an enterprise-wide program to support and maintain the commonwealth's critical digital records. This system will include the active management and preservation of permanent digital records for all state agencies, safeguarding them for future generations.

Cultural and Historical Support Grants: The commission also recognizes the vital role that funding for Cultural and Historical Support Grants (CHSG) plays in supporting historical and cultural institutions in communities across Pennsylvania. Last year, PHMC administered \$2 million in grant funding to 158 eligible museums and official county historical societies from 58 Pennsylvania counties, helping these institutions achieve their missions and affording Pennsylvanians across the state greater opportunities to connect with their history. Furthermore, as museums and historical societies saw their revenue decline significantly during the pandemic, these grants offered invaluable support to important cultural institutions in communities throughout Pennsylvania.

CLOSING STATEMENT:

PHMC prioritizes supporting local partners who share history, provide cultural amenities to their residents, offer educational experiences, drive tourism, and revitalize historic communities; to this end, the agency disburses significant funding to cultural institutions, local governments, and communities. Last year's total grant investment in historic resources across the state was \$4.6 million.

PHMC is making every effort to ensure its operating model supports the mission of the agency in the most cost-effective manner. The SFY 22-23 spending plan that is set forth in this document demonstrates an aggressive approach for addressing our fiscal responsibility while administering the core programs of the agency. The commission's goal is to preserve the commonwealth's past so future generations will be strengthened and inspired by the ideals and traditions of Pennsylvania's heritage and to help its citizens plan for the future of their communities and state. PHMC requests funding support at the levels presented and the authority granted by the Executive and Legislative branches.

SUMMARY BY FUND AND APPROPRIATION

SUMMARY BY FUND AND APPROPRIATION
(Dollar Amounts in Thousands)
PA Historical and Museum Commission
2022-23 Budget Request

Fund/Appropriation (SAP Fund Type / SAP Fund)	2020-21	2021-22	2022-23	Estimate	Estimate	Estimate	Estimate
	Budget Actual	Budget Available	Budget Request	2023-24	2024-25	2025-26	2026-27
GENERAL FUND							
(S) General Government Operations	\$21,150	\$21,150	\$22,979	\$23,623	\$23,623	\$23,623	\$23,623
(F) Historic Preservation	2,050	4,237	2,350	2,350	2,350	2,350	2,350
(F) Surface Mining	150	155	170	170	170	170	170
(F) Environmental Review	348	358	370	370	370	370	370
(F) Hurricane Sandy Disaster Relief (EA)	213	0	0	0	0	0	0
(F) American Battlefield Protection Program	2,000	7,000	2,000	2,000	2,000	2,000	2,000
(F) Maritime Heritage	0	525	525	525	525	525	525
(F) Appalachian Development	100	100	100	100	100	100	100
(F) COVID Care Grant Waiting for ESN to be approved	247	0	0	0	0	0	0
(A) State Records Center	823	823	823	823	823	823	823
(A) Keystone Historic Site Development Fund*	0	0	0	0	0	0	0
Subtotal - State Funds	\$21,150	\$21,150	\$22,979	\$23,623	\$23,623	\$23,623	\$23,623
Subtotal - Federal Funds	5,108	12,375	5,515	5,515	5,515	5,515	5,515
Subtotal - Augmentations	823	823	823	823	823	823	823
Subtotal - Restricted Revenues	\$330	\$200	\$80	\$60	\$60	\$60	\$60
Total - General Government Operations	\$27,411	\$34,548	\$29,397	\$30,021	\$30,021	\$30,021	\$30,021

Fund/Appropriation (SAP Fund Type / SAP Fund)	2020-21 Budget Actual	2021-22 Budget Available	2022-23 Budget Request	Estimate 2023-24	Estimate 2024-25	Estimate 2025-26	Estimate 2026-27
<u>GRANTS AND SUBSIDIES</u>							
Cultural and Historical Support	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total - Grants	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
<u>OTHER FUNDS</u>							
Historical Preservation Fund							
General Operations	1,742	1,267	1,167	1,300	1,300	1,300	1,300
Mitigation and Special Projects	669	889	888	500	500	500	500
Total - Historical Preservation Fund	2,411	2,156	2,055	1,800	1,800	1,800	1,800
Keystone Recreation, Park and Conservation Fund							
Historic Site Development	14,675	18,915 **	19,043	19,165	19,280	19,136	19,038
Total - Other Fund	\$17,086	\$21,071	\$21,098	\$20,965	\$21,080	\$20,936	\$20,838
<u>RESTRICTED REVENUE</u>							
Rentals and Other Income	\$330	\$200	\$80	\$60	\$60	\$60	\$60
Department Total - All Funds							
General Funds	\$23,150	\$23,150	\$24,979	\$25,623	\$25,623	\$25,623	\$25,623
Federal Funds	5,108	12,375	5,515	5,515	5,515	5,515	5,515
Augmentations	823	823	823	823	823	823	823
Other Funds	17,086	21,071	21,098	20,965	21,080	20,936	20,838
Restricted Revenue	330	200	80	60	60	60	60
<u>TOTAL ALL FUNDS</u>	\$46,497	\$57,619	\$52,495	\$52,986	\$53,101	\$52,957	\$52,859

*Shown as zero to avoid double counting.

**Reflects estimated executive authorization increase.

APPROPRIATION DETAIL

PHMC SFY 2022-23 BUDGET REQUEST

(\$ Amounts in Thousands)

Page # of Governor's Executive Budget: Pp. D-16, E26-1-E26-6, H26, H49, H79, I2, I6, F24; Add Keystone and front pages. Comp. Any Capital project money.	General Government Operations 10347
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I. SUMMARY FINANCIAL DATA (\$ Amount in Thousands)	2020-2021 Available	2021-2022 Budgeted	2022-2023 Budgeted
State Fund Total	\$21,150	\$21,150	\$22,979
General Government Operations (10347)	\$21,150	\$21,150	\$22,979
Federal Funds Total	\$5,108	\$12,375	\$5,515
Historical Preservation (70235)	\$2,050	\$4,237	\$2,350
Surface Mining Revenue (70507)	\$150	\$155	\$170
Environmental Review (70509)	\$348	\$358	\$370
American Battlefield (71028)	\$2,000	\$7,000	\$2,000
Maritime Heritage (71038)	\$0	\$525	\$525
Appalachian Develop (71090)	\$100	\$100	\$100
Hurricane Sandy Disaster (82853)	\$213	\$0	\$0
COVID-PA History (87690)	\$247	\$0	\$0
Other Funds Total	\$1,153	\$1,023	\$903
State Record Center	\$823	\$823	\$823
Keystone Recreation, Parks and Conservation	\$0	\$0	\$0
Rental and Other Income	\$330	\$200	\$80
Total	\$27,411	\$34,548	\$29,397
<i>a</i> Keystone Recreation, Parks and Conservation	\$734	\$946	\$952
<i>b</i> Includes a supplemental of \$311 for FY 2021-2022.			
Total including Keystone	\$28,145	\$35,494	\$30,349

II. DETAIL BY MAJOR OBJECT

(\$ Amount in Thousands)

	2020-2021 Available	2021-2022 Budgeted	2022-2023 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
<i>State Funds</i>	\$16,584	\$16,364	\$17,252	\$888	5%
<i>Federal Funds</i>	\$1,666	\$1,712	\$1,805	\$93	5%
<i>Other Funds</i>	\$1,050	\$1,209	\$1,562	\$353	29%
Total Personnel	\$19,300	\$19,285	\$20,619	\$1,334	6.92%
OPERATING					
<i>State Funds</i>	\$4,541	\$4,761	\$5,702	\$941	20%
<i>Federal Funds</i>	\$516	\$337	\$360	\$23	7%
<i>Other Funds</i>	\$422	\$249	\$213	(\$36)	-14%
Total Operating	\$5,479	\$5,347	\$5	\$928	\$0
FIXED ASSETS					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0%
<i>Federal Funds</i>	\$5	\$0	\$0	\$0	0%
<i>Other Funds</i>	\$85	\$0	\$0	\$0	0%
Total Fixed Assets	\$85	\$0	\$0	\$0	0%
GRANTS & SUBSIDIES					
<i>Federal Funds</i>	\$2,000	\$7,600	\$2,600	(\$5,000)	-66%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0%
Total Grants & Subsidies	\$2,000	\$7,600	\$2,600	(\$5,000)	(\$1)
NON-EXPENSE ITEMS					
<i>State Funds</i>	\$25	\$25	\$25	\$0	0%
Total Non-Expense Items	\$25	\$25	\$25	\$0	\$0
BUDGETARY RESERVE					
<i>Federal Funds</i>	\$921	\$2,726	\$750	(\$1,976)	-72%
Total Grants & Subsidies	\$921	\$2,726	\$750	(\$1,976)	(\$1)

	2020-2021 Available	2021-2022 Budgeted	2022-2023 Budgeted	Change Budgeted vs. Available	Percent Change
TOTAL					
<i>State Funds</i>	\$21,150	\$21,150	\$22,979	\$1,829	9%
<i>Federal Funds</i>	\$5,108	\$12,375	\$5,515	(\$6,860)	-55%
<i>Other Funds</i>	\$1,557	\$1,458	\$1,775	\$317	21.74%
Total Funds*	\$27,815	\$34,983	\$30,269	(\$4,714)	-13.48%

* Does not include rental income fund

III. HISTORY OF LAPSES

(\$ Amount in Thousands)

	2019-2020	2020-2021	2021-2022 Estimated
<i>Other Funds</i>	\$0	\$0	\$0

IV. COMPLEMENT INFORMATION

	6/30/2021	1/31/2022	2022-2023 Budgeted
Benefit Factor	68.40%	69.80%	74.13%
State Funded			
<i>Authorized</i>	198	214	214
<i>Filled</i>	183	185	N/A
Federal Funded			
<i>Authorized</i>	9	0	0
<i>Filled</i>	9		N/A
Total			
<i>Authorized</i>	207	214	214
<i>Filled</i>	192	185	N/A

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

(A) Personnel Expense

Personnel costs were prepared in the complement module of the BPC system using instructions and factors provided by the Governor's Budget Office and provides for continuing operation.

(B) Operating Expense

Operating Funds were developed from historical data and provides for maintenance of continuing operation.

Additional Information

(1) Amount of Waiver Funds Available (\$ amounts in thousands) as of July 2021

FY2019	\$3,498
FY2020	\$2,775

Waivered funds will be used for expenses not covered in the capital and FFE budgets for the new PA State Archives facility. Funds will also be used for fixed assets such as vehicles and equipment for historic sites and museums across the state that were due to supply chain delays. Funds will also be used for a reuse study of existing State Archive facility to be vacated, upgrades to the Ticketing, Event Management, and Membership software, and other general operating expenses.

(1) 2020-21 Obligations rolled forward to 2022-23:

None

(2) 2022-23 Supplemental appropriation needs:

Kesytone Supplemental

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Legislative Citations:

Authority: 1988-72, the History Code; Act 6A-1998, the General Appropriations Act; Title XXVIIA, Section 2801-A of the Administrative code.

Disbursement Criteria:

Expenditures for personnel costs are based on authorized salaried and wage personnel who fulfill the agency's program plans within the limits of available funds. Expenditures for operating costs and equipment are a combination of invoices for payment of goods and services procured to support daily operations and contractual agreements for the provision of professional services.

VI. EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Increase to replace nonrecurring benefits cost reduction.	\$377	\$93		\$1,249
2. Increase to continue current program	\$426		\$353	\$779
3. Increase related to new archives building for building manager	\$85	\$0	\$0	\$85
Subtotal Personnel	\$888	\$93	\$353	\$1,334
OPERATING				
1. Increase to continue current	\$317	\$0	(\$36)	\$281
2. Increase cost related to new state archives building	\$624	\$0	\$0	\$624
3. Increase in federal operating increase.	\$0	\$23	\$0	\$23
Subtotal Operating	\$941	\$23	(\$36)	\$928
GRANT & SUBSIDY				
1. Decrease in expect award for American Battlefield grant.	\$0	(\$5,000)	\$0	(\$5,000)
Subtotal Grant & Subsidy	\$0	(\$5,000)	\$0	(\$5,000)
BUDGETARY RESERVE				
1. Decrease in Historical Preservation Grant	\$0	(\$1,976)	\$0	(\$1,976)
Subtotal Budgetary Reserve	\$0	(\$1,976)	\$0	(\$1,976)
GRAND TOTAL	<u>\$1,829</u>	<u>(\$6,860)</u>	<u>\$317</u>	<u>(\$4,714)</u>

PHMC FY 2022-23 BUDGET REQUEST

(\$ Amounts in Thousands)

Page # of Governor's Executive Budget: Pp. E26-1-E26-4; E26-7-E26-8	Cultural and Historical Support 11057
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I. SUMMARY FINANCIAL DATA (\$ Amount in Thousands)	2020-2021 Available	2021-2022 Budgeted	2022-2023 Budgeted
Cultural and Historical Support Total State funds	\$2,000	\$2,000	\$2,000
Total	<u><u>\$2,000</u></u>	<u><u>\$2,000</u></u>	<u><u>\$2,000</u></u>

II. DETAIL BY MAJOR OBJECT (\$ Amount in Thousands)	2020-2021 Available	2021-2022 Budgeted	2022-2023 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING <i>State Funds</i>	\$100	\$100	\$100	\$0	0.00%
GRANTS & SUBSIDIES <i>State Funds</i>	\$1,900	\$1,900	\$1,900	\$0	0.00%
TOTAL FUNDS <i>State Funds</i>	\$2,000	\$2,000	\$2,000	\$0	0.00%
Total Funds	<u><u>\$2,000</u></u>	<u><u>\$2,000</u></u>	<u><u>\$2,000</u></u>	<u><u>\$0</u></u>	<u><u>0.00%</u></u>

III. HISTORY OF LAPSES

(\$ Amount in Thousands)

2020-2021	2021-2022	2022-2023 Estimated
\$0	\$0	\$0

IV. COMPLEMENT INFORMATION

Benefit Factor
State funded
Authorized
Filled

6/30/2021	1/31/2022	2022-2023 Budgeted
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

(A) Operating Expense

Operating funds are used to maintain the eGrant system and other operating expenditures.

(B) Grant Expense

For awards made to grantees.

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22:

(\$ Amounts in Thousands)

Other Funds	\$0
Total	<u>\$0</u>

(2) 2021-22 Supplemental appropriation needs: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, is approved to support the 2021-22 appropriation for expenses related to grant activities. Prior year funds were held in reserve during the pandemic and not able to be released.

(\$ Amounts in Thousands)

State Funds	BY 2020	\$83
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Legislative Citations:

Act No. 1-A, General Appropriations Act

Disbursement Criteria:

Grants are general operation support and evaluated against predetermined criteria, Grants awards are disbursed using an invoice process.

VI. EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

	State \$	Federal \$	Other \$	Total \$
OPERATING				
Subtotal Operating	\$0	\$0	\$0	\$0
GRANTS & SUBSIDIES				
Subtotal Grants & Subsidies	\$0	\$0	\$0	\$0
GRAND TOTAL	\$0	\$0	\$0	\$0

SPECIAL FUNDS INDEX

Historical Preservation Fund

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care and maintenance of state historical properties, museums and records and for the financing of historical research and publication programs. Money in the fund can also be used to support publications and properties. This fund is made up of monies from the sale of publications by the Pennsylvania Historical and Museum by the commission at the state historical properties and/or museums. Act 173 of 2002 enables the commission to sell most commonwealth publication to the public and provides that net proceeds from the publication sales and from the sale of historical properties administered by the commission shall be deposited into the fund. The Historical Preservation Fund is designated for projects of the Historical and Museum Commission for which they have agreements to complete over a period of several fiscal years.

Statement of Cash Receipts and Disbursements:□

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	\$6,583	\$5,963	\$4,781
Receipts:			
Admission Fees	\$73	\$750	\$812
Mitigation and Special Projects	\$6	\$5	\$6
Interest	\$12	\$3	\$2
Other	\$245	\$230	\$230
Total Receipts	\$336	\$988	\$1,050
Total Funds Available	\$6,919	\$6,951	\$5,831
Disbursements:			
Historical and Museum Commission			
General Operations	\$287	\$1,281	\$1,167
Mitigation and Special Projects	\$669	\$889	\$888
Total Disbursements	\$956	\$2,170	\$2,055
Cash Balance, Ending	\$5,963 a	\$4,781 a	\$3,776 a

a Includes the following amounts restricted for mitigation and special projects: 2020-21 Actual is \$3,784,000, 2021-22 Available is \$2,900,000, and 2022-23 Estimated is \$2,018,000.

Conrad Weiser Memorial Park Trust Fund

This fund was created to provide for control, management, supervision, restoration and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is interest from the \$20,000 perpetual endowment create by the estate of Colonel Conrad Weiser.

Statement of Cash Receipts and Disbursements:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	\$79	\$79	\$79
Receipts:			
Interest	\$0	\$0	\$0
Total Funds Available	\$79	\$79	\$79
Disbursements:			
Historical and Museum Commission	\$0	\$0	\$0
Cash Balance, Ending	\$79	\$79	\$79

Pennsylvania Historical and Museum Commission Trust Fund

This fund, created by Act 113 of 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the commonwealth or any of its political subdivisions is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	\$197	\$197	\$197
Receipts:			
Interest			
Total Funds Available	\$197	\$197	\$197
Disbursements:			
Historical and Museum Commissior	\$0	\$0	\$0
Cash Balance, Ending	\$197	\$197	\$197